Ontario

Part I: Results-based Plan 2011-12

Ministry of Agriculture, Food and Rural Affairs

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PART I: PUBLISHED RESULTS-BASED PLAN 2011-12

MINISTRY OVERVIEW

Ministry Vision and Mission Statement

The Ontario Ministry of Agriculture, Food and Rural Affairs is committed to achieving a vision of "thriving rural Ontario, agriculture and food sectors".

The ministry's vision supports the Ontario government's agenda of strengthening our economy, fostering rural development, ensuring a reliable energy supply, protecting our shared environment, fostering better health and serving the public interest.

The ministry's mission is to be "a catalyst for transforming our agriculture and food sectors and rural communities for a healthy Ontario".

2011-12 Ministry Priorities and Strategies

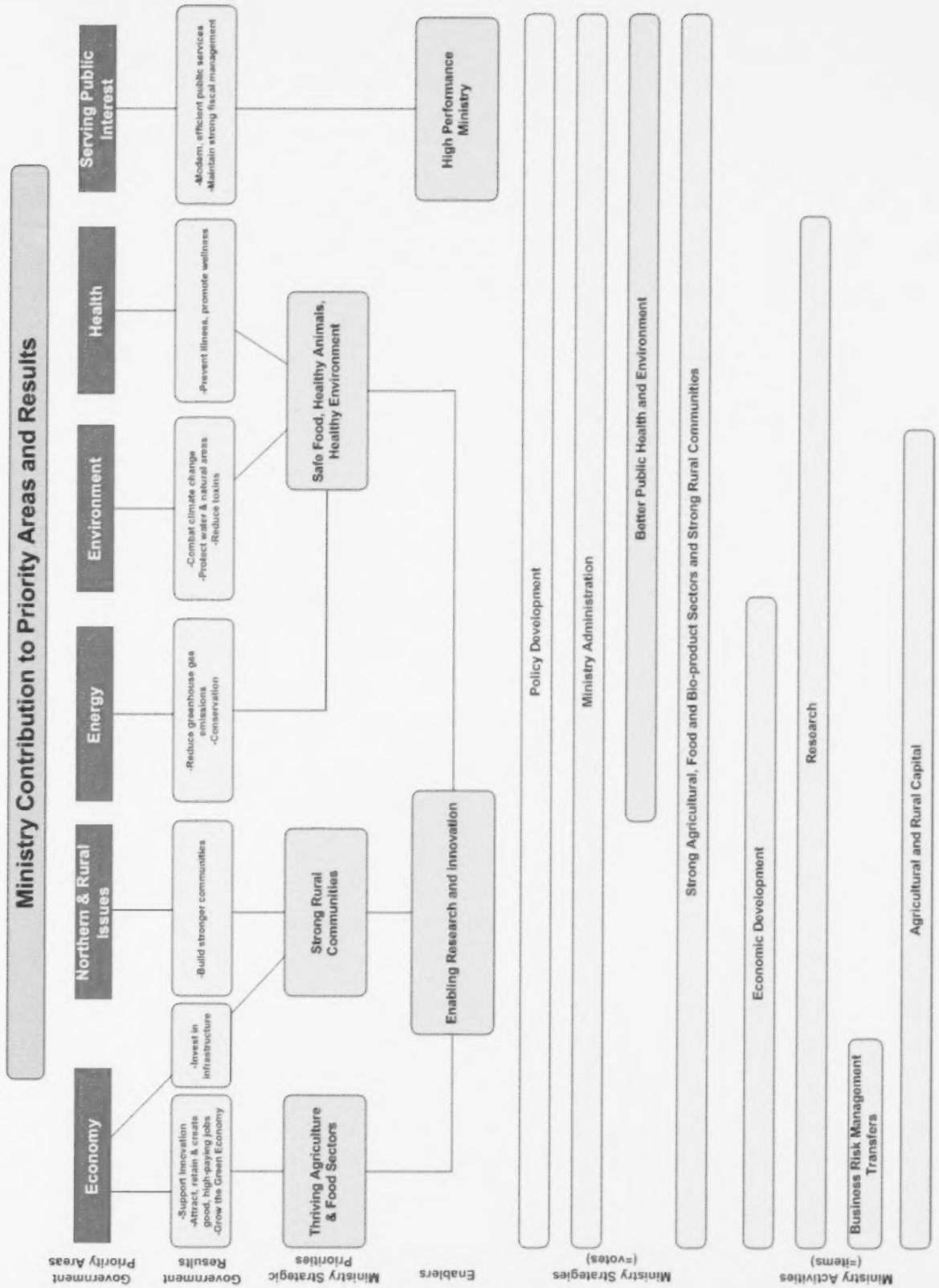
The ministry's three strategic priorities are:

1. Thriving Agriculture and Food Sectors
2. Strong Rural Communities
3. Safe Food, Healthy Animals, Healthy Environment

The ministry also has several key enablers that act as tools to provide the foundation and the support to help us deliver our strategic priorities.

The ministry envisions a profitable and innovative agriculture, agri-food and agri-based products industry that seizes opportunities in responding to market demands and contributes to the health and well-being of Ontarians. The ministry aspires to stimulate an innovative, sustainable and globally-competitive food industry.

In 2011-2012, the ministry will focus on increasing the consumption of local foods, expanding export opportunities for Ontario's agri-food sector, launching a grape transition program, economic development, helping cattle, hog, sheep and veal farmers by implementing a new Risk Management Program, and a Self-Directed Risk Management Program for the edible horticulture sector, and supporting government initiatives involving the Water Strategy and the Great Lakes.


Ministry Contribution to Priority Areas and Results
Government Priority Areas
Government Results
Ministry Strategic Priorities
Enablers
Ministry Strategies (=votes)
Ministry Activities (=items)
Economy
Northern & Rural Issues
Energy
Environment
Health
Serving Public Interest
-Support innovation -Attract, retain & create good, high-paying jobs -Grow the Green Economy
-Invest in infrastructure
-Build stronger communities
-Reduce greenhouse gas emissions -Conservation
-Combat climate change -Protect water & natural areas -Reduce toxins
-Prevent illness, promote wellness
-Modern, efficient public services -Maintain strong fiscal management
Thriving Agriculture & Food Sectors
Strong Rural Communities
Safe Food, Healthy Animals, Healthy Environment
Enabling Research and innovation
High Performance Ministry
Policy Development
Ministry Administration
Better Public Health and Environment
Strong Agricultural, Food and Bio-product Sectors and Strong Rural Communities
Economic Development
Research
Business Risk Management Transfers
Agricultural and Rural Capital

Ministry Activities 2011-12

Thriving Agriculture and Food Sectors

The Ontario agri-food industry contributes to economic, social and physical health of rural communities, the province and its people.

Agri-food contributes more than $30 billion to the provincial economy in terms of GDP, and employs more than 700,000 people. Ontario has the most diversified agricultural sector in the country.

The industry is working smarter, more efficiently and more environmentally responsibly than ever before. It is producing safe food. Ontario agricultural commodities and by-products are going into cleaner, greener bio-products and fuels.

In 2011-2012, the ministry will continue helping position the sector to capitalize on emerging opportunities – in domestic and international markets, as well as in new, value-added products and leading-edge technologies.

To provide the predictability, bankability and stability producers need to manage risk and take advantage of new opportunities, the ministry will continue the Risk Management Program for grain and oilseed farmers and develop a new Risk Management Program for the cattle, hog, sheep and veal sectors, as well as a Self-Directed Risk Management Program for the edible horticulture sector.

The ministry will continue to deliver the current Growing Forward programs while working to bring the federal government to the table to provide their 60% funding for the farmer developed risk management programs in Ontario.

The Ministry will also continue to work with federal/provincial/territorial partners and industry stakeholders to develop the next generation of the national policy framework.

The ministry will continue to work closely with the Ministry of Natural Resources and stakeholders to implement the agriculture-wildlife conflict strategy, which includes a new wildlife damage compensation program for livestock.

In 2011-2012, the ministry plans to build on the success of the Foodland Ontario program by increasing the exposure of domestic foods in national and international markets. Social media engagement with consumers will expand through the use of web, twitter, online videos and Facebook, to encourage increased Ontario food purchases. Collaboration will continue with Ontario's retail, food service sectors and food media. The ministry will also continue working with stakeholder groups and invest in increasing Ontario food availability in the broader public sector, farmers markets, and on-farm markets.

The ministry will also continue vigorously exploring and capturing export markets and foreign investment. In May, 2011, the ministry will have a significant presence at the internationally-recognized SIAL Canada trade show, being held in Toronto for the first time, and will be presenting the 2011 Ontario Food Exporter Award.

Strong Rural Communities

Rural Ontario has a long tradition of innovation, environmental stewardship and economic strength, and the ministry continues to be supportive. The ministry knows that when our rural families, businesses and communities prosper, Ontario's economy grows stronger and all Ontarians benefit.

In 2011-2012, the ministry will continue providing more families and businesses in rural Ontario with access to high-speed internet service. More than a quarter million rural residents and businesses are expected to have access to high speed internet, thanks to projects that will be completed by 2012. The ministry will also work with Ministry of Government Services to ensure that rural Ontario's priorities and needs are appropriately reflected in the development of Ontario's digital economy strategy.

The ministry will continue strengthening rural Ontario by investing in rural projects through the Rural Economic Development program. These projects will contribute to job creation/retention and community development.

On behalf of the Ontario government, the ministry will continue to manage and deliver the Infrastructure Stimulus Fund and stimulus component of the Building Canada Fund – Communities Component to their conclusions on October 31, 2011.

To help small rural and northern communities receive clean, safe and affordable water and wastewater services, Ontario has introduced the third phase of the Ontario Small Waterworks Assistance Program (OSWAP-3).

OSWAP-3 will provide $50 million in capital funding over four years so small communities can improve water conservation and efficiency in their water and wastewater systems. Municipalities and Local Services Boards that own residential drinking water or wastewater systems servicing 5,000 and fewer residents are eligible to apply for funding. The program will result in a total investment of up to $75 million, based on a cost-sharing formula of two-thirds provincial funding and one-third municipal funding.

Going forward, the ministry will continue to work with other ministries across the Ontario government to ensure that rural issues and perspectives are considered in provincial policy and program development.

Safe Food, Healthy Animals, Healthy Environment

In 2011-2012 the Ministry of Agriculture, Food and Rural Affairs will continue our commitment to ensure safe food, healthy animals and a healthy environment for all Ontarians.

With regards to animal health, the ministry will continue to build hazard response capacity and ongoing regulation development under the new animal health legislation.

The ministry will continue to engage stakeholders to increase the profile of traceability and continue to work with our federal, provincial and territorial partners to develop a national

traceability system. The ministry is committed to building a robust provincial agri-food premises registry as a critical tool to assist in delivering agri-food emergency management services.

In 2011-2012 the ministry will continue to meet our commitments under the Climate Change Action Plan, and we will collaborate with Ontario Power Generation (OPG), and the Ministry of Energy to examine the potential for agriculture-based biomass.

The ministry will also continue to support initiatives under the government's Water Strategy, including efforts to conserve and protect the Great Lakes and Lake Simcoe.

Innovation

The ministry has put in place several initiatives that provide the foundation for delivering our priorities and developing as a high-performance ministry.

In 2011-2012, the ministry will continue to use our diversity strategy, *Rooted in Diversity: A Place for Everyone* to identify opportunities to integrate diversity and inclusion into human resources and business practices of the ministry.

The ministry will be implementing its new Controllership Action Plan, a long-tem management framework that will help establish a proactive and comprehensive controllership environment at OMAFRA.

A new Information Management/Information Technology strategy and planning tool will be implemented that better focuses the ministry's IM and IT resources to meet strategic priorities as well as improve external client services and internal business performance through better management of information, education and collaborative partnerships.

Highlights of 2010-11 Achievements

Farm income stabilization

Since 2003, the ministry has provided more than $2 billion in farm income and stabilization programming.

Local Food

The ministry has invested $80 million in programming to support Ontario foods since 2003. In 2010, consumer awareness of the Foodland Ontario symbol was at 92 per cent and more than half of Ontario grocery shoppers reported putting more local food on their family tables.

Minister of Children and Youth Services Laurel Broten and Minister of Agriculture Food and Rural Affairs Carol Mitchell have a made-in-Ontario lunch with their friends at Thomas Berry Daycare. OMAFRA funding is being provided to get more Ontario food into broader public sector institutions like daycares, schools, universities, long-term care facilities and municipalities.

Food Processing

OMAFRA's programs led to more than $317 million invested by industry in the food processing sector in 2010-2011, creating or retaining more than 6,850 jobs.

Exports

Ontario exports more, on a per capita basis, than any other G7 nation. In 2010, agri-food exports totalled $9.39 billion. That is a six per cent increase from 2009.

Premier's Award for Agri-Food Innovation Excellence

For the fourth year, agricultural innovations from across Ontario were celebrated at the annual Premier's Award for Agri-Food Innovation Excellence. This program was established to recognize innovators who contribute to the success of the agri-food sector and is now permanent.

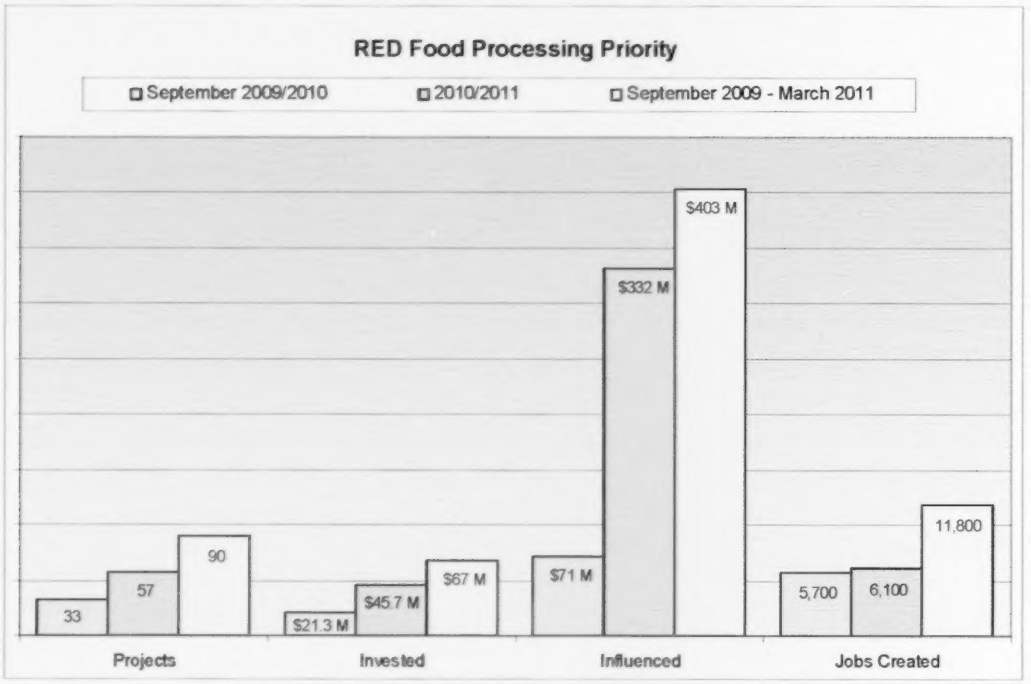
Broadband

Since 2007, the ministry has committed up to $127 million to four broadband funding programs to get rural Ontario plugged into the information highway.

This includes the $170 million Eastern Ontario Wardens' Caucus regional broadband project which was announced. The province and the federal government have committed their respective $55 million shares to the project.

Rural Economic Development (RED) Program Investments

In 2010-2011, 71 projects that stimulate economic and community development in Ontario's rural communities were committed to under the RED program. This represents a program investment of $47 million, generating more than $337 million in economic activity, including more than 6,400 jobs created or retained.



Since September 2009, the Ministry has increased its investment through the Rural Economic Development program for Ontario's food processing sector. The above graph shows increases in number of projects, provincial RED funds invested, total dollars leveraged or invested as a result of approved RED projects and jobs created from September 2009 to March 2011.

Wine and Grape Strategy

As part of the overall government strategy announced in April 2010, OMAFRA has been working with industry to develop a grape transition program.

Growing Forward

Significant progress was made in the Best Practices and Innovation and Sciences Suites of the federal-provincial-territorial Growing Forward framework. Thousands of farmers and food processors have participated in one or more of the programs under the framework that are geared to realizing a vision of "a profitable and innovative agriculture, agri-food and agri-based products industry that seizes opportunities in responding to market demands and contributes to the health and well-being of Canadians."

Ministry Organization Chart

Legislation

The following is a complete list for which the Ontario Ministry of Agriculture, Food and Rural Affairs is responsible:

- AgriCorp Act, 1996, S.O. 1996, c. 17, Sched. A
- Agricultural and Horticultural Organizations Act, R.S.O. 1990, c. A.9
- Agricultural Employees Protection Act, 2002, S.O. 2002, c. 16
- Agricultural Research Institute of Ontario Act, R.S.O. 1990, c. A.13
- Agricultural Tile Drainage Installation Act, R.S.O. 1990, c. A.14
- Animal Health Act, 2009, S.O. 2009, c. 31
- Animals for Research Act, R.S.O. 1990, c. A.22
- Beef Cattle Marketing Act, R.S.O. 1990, c. B.5
- Bees Act, R.S.O. 1990, c. B.6
- Commodity Board Members Act, R.S.O. 1990, c. C.18
- Commodity Boards and Marketing Agencies Act, R.S.O. 1990, c. C.19
- Crop Insurance Act (Ontario), 1996, S.O. 1996, c. 17, Sched. C
- Drainage Act, R.S.O. 1990, c. D.17
- Farm Implements Act, R.S.O. 1990, c. F.4
- Farm Products Containers Act, R.S.O. 1990, c. F.7
- Farm Products Grades and Sales Act, R.S.O. 1990, c. F.8
- Farm Products Marketing Act, R.S.O. 1990, c. F.9
- Farm Products Payments Act, R.S.O. 1990, c. F.10
- Farm Registration and Farm Organizations Funding Act, 1993, S.O. 1993, c. 21
- Farming and Food Production Protection Act, 1998, S.O. 1998, c.1
- Food Safety and Quality Act, 2001, S.O. 2001, c. 20
- Grains Act, R.S.O. 1990, c. G.10
- Livestock and Livestock Products Act, R.S.O. 1990, c. L.20
- Livestock Community Sales Act, R.S.O. 1990, c. L.22
- Livestock Identification Act, R.S.O. 1990, c. L.21
- Livestock Medicines Act, R.S.O. 1990, c. L.23
- Livestock, Poultry and Honey Bee Protection Act, R.S.O. 1990, c. L.24
- Milk Act, R.S.O. 1990, c. M.12
- Ministry of Agriculture, Food and Rural Affairs Act, R.S.O. 1990, c. M.16
- Ministry of Energy Act, R.S.O. 1990, c. M.23, sections 8 and 9 insofar as the powers and duties set out in those sections are required to develop and administer the Ontario Ethanol Growth Fund program.
- Nutrient Management Act, 2002, S.O. 2002, c. 4. Under this legislation, OMAFRA approves on-farm nutrient management plans and strategies while the Ministry of the Environment leads inspection and enforcement activities.
- Ontario Agriculture Week Act, 1998, S.O. 1998, c. 10
- Ontario Food Terminal Act, R.S.O. 1990, c. O.15
- Plant Diseases Act, R.S.O. 1990, c. P.14
- Pounds Act, R.S.O. 1990, c. P.17
- Tile Drainage Act, R.S.O. 1990, c. T.8
- Veterinarians Act, R.S.O. 1990, c. V.3
- Weed Control Act, R.S.O. 1990, c. W.5

Agencies, Boards and Commissions (ABCs)

To better serve the agri-food industry, the Ministry of Agriculture, Food and Rural Affairs relies on 12 agencies, boards and commissions. Some, such as the Agriculture, Food and Rural Affairs Appeal Tribunal, have an adjudicative role. Others are operational service or enterprise agencies. Agricorp, for example, administers production insurance programs to provide farmers with protection against natural hazards and delivers income stabilization payments. The Ontario Farm Products Marketing Commission is a regulatory agency which supervises the province's 20 marketing boards and four representative commodity associations.

The following is a complete list of agencies, boards and commissions for which the Ministry of Agriculture, Food and Rural Affairs is responsible. Only those entities with assets, liabilities, revenues or expenses greater than $50 million, or an annual surplus or deficit or outside revenue source of greater than $10 million, are consolidated in the ministry's results-based plan.

Agricorp (Operational Enterprise)
Agricorp is an Ontario government agency created in 1997 with the mandate of delivering crop insurance and other agricultural business risk management (BRM) programs. The two key programs currently delivered by Agricorp are: AgriStability, to protect producers against declines in margin; and Production Insurance, to protect crop producers from losses caused by adverse weather and other natural perils. Agricorp also delivers the Risk Management Program, the Farm Business Registration (FBR) program and the Grain Financial Protection Program (GFPP) on behalf of the province.

$Millions	Plan 2011-12	Interim Actuals 2010-11
Revenue	251.58	209.11
Expenses	272.48	125.82
Surplus (Deficit) Impact	(20.90)	83.29

Agriculture, Food and Rural Affairs Appeal Tribunal (Adjudicative Agency)
The role of the Agriculture, Food and Rural Affairs Appeal Tribunal is to provide citizens one place to file their appeals on agricultural issues and have them heard by an impartial and knowledgeable tribunal. The Tribunal hears applications and appeals made under approximately 19 statutes including the Drainage Act, the Ministry of Agriculture, Food and Rural Affairs Act (for appeals of decisions made under the Milk Act, and the Farm Products Marketing Act), the Crop Insurance Act, the Assessment Act, the Farm Implements Act, and the Food Safety and Quality Act. Most Tribunal members also serve on the Board of Negotiation (BON) established under the Environmental Protection Act.

Agricultural Research Institute of Ontario (ARIO) (Operational Service)
The primary role of ARIO is to provide strategic advice to the minister regarding research priorities and resource allocation in order to deliver high quality agriculture, food and rural research. This advice is integral to the ministry's decision-making process to determine where to allocate research funding. In addition, in 2007, ownership and management of the province's agri-food research infrastructure (14 provincial research stations and three agricultural colleges), critical to the future success of Ontario's agri-food and rural sectors and a key component of overall provincial economic growth, was transferred from the government to ARIO.

$Millions	Plan 2011-12	Interim Actuals 2010-11
Revenue	1.50	1.60
Expenses	(2.86)	2.93
Surplus (Deficit) Impact	4.36	(1.33)

Board of Negotiation (Adjudicative Agency)
The role of the Board of Negotiation is to negotiate a fair settlement of a claim where a contaminant is causing or has caused injury or damage to livestock or to crops, trees or other vegetation. (Consolidated into the Agriculture, Food and Rural Affairs Appeal Tribunal as of December 1999).

Boards Under the Farm Products Payments Act
Under the Farm Products Payments Act, funds and boards are established to: protect producers from non-payment by dealers; investigate claims; grant or refuse payment of claims; and determine the amounts and manner of payment. Boards administering funds under the Farm Products Payment Act are the Grain Financial Protection Board and Livestock Financial Protection Board. Both boards under this Act are "trust agencies."

- Grain Financial Protection Board (Trust Agency). This board collects fees and administers The Fund for Grain Corn Producers, The Fund for Soybean Producers, and The Fund for Canola Producers and the Fund for Wheat Producers. It approves claims made under the Grain Financial Protection Program, to protect producers of grain corn, canola, soybeans and wheat in the event of default on payment by a licensed buyer.

- Livestock Financial Protection Board (Trust Agency). This board collects fees, administers The Fund for Livestock Producers and reviews claims made against it under the Ontario Beef Cattle Financial Protection Program, to protect producers and other sellers of beef cattle in the event of default on payment by a licensed buyer.

Livestock Medicines Advisory Committee (Advisory Agency)
This committee reviews all legislation and regulations pertaining to livestock medicines; inquires into and reports to the Minister on any matter referred to the committee by the Minister; advises the Minister on matters relating to the control and regulation of livestock medicines; evaluates and recommends procedures relating to the sale of livestock medicines and proper standards for maintenance, handling and storage of livestock medicines; and makes recommendations with respect to the description of drugs, or classes of drugs, as livestock medicines and the designation of livestock medicines for sale under a licence or any class of licence.

Normal Farm Practices Protection Board (Adjudicative Agency)
The Normal Farm Practices Protection Board hears appeals which arise under the Farming and Food Production Protection Act, 1998. The Act protects 'normal farm practices' from nuisance complaints and municipal bylaws.

Ontario Farm Products Marketing Commission (Regulatory Agency)
The Commission supervises Ontario's 20 marketing boards and four representative commodity associations created under the Farm Products Marketing Act and the Milk Act; develops, recommends and implements policy with respect to regulated marketing in Ontario in consultation with the Minister; provides education programs to Ontario's marketing boards and industry stakeholders to increase the effectiveness and efficiency of the regulated marketing system; and provides leadership to marketing boards and representative associations. The Commission is also responsible for the enactment of milk and milk product quality regulations under the Milk Act which are then enforced by the director named under the Milk Act.

Ontario Food Terminal Board (Operational Enterprise)
The Ontario Food Terminal is the largest wholesale fruit and produce distribution center in Canada. It was established in 1954 to provide a convenient, efficient and low cost receiving and shipping facility for wholesalers of fruit and produce, and now serves all of Eastern Canada and some of the Northern States.

All operational aspects of the Ontario Food Terminal are overseen by the Ontario Food Terminal Board. The Board, consisting of seven members, acts like a landlord for the Terminal. Its mandate is to acquire, construct, equip and operate a wholesale fruit and produce market. The Ontario Food Terminal consists of warehouse tenants and farmer market tenants. Warehouse tenants market imported and domestic grown fruits and vegetables, whereas farmer market tenants provide only Ontario and Canadian grown.

Rural Economic Development Advisory Panel. (Advisory Agency)
The Rural Economic Development Advisory Panel (REDAP) is a volunteer panel appointed by the Minister of Agriculture, Food and Rural Affairs who have expertise in rural economic development. The REDAP is chaired by the Parliamentary Assistant to the Minister of Agriculture, Food and Rural Affairs and meets on an "as needed" basis but at least quarterly. Panel members review project applications for various rural economic development programs and make recommendations for funding to the Minister of Agriculture, Food and Rural Affairs.

Ontario AgriStability Review Committee (Advisory Agency)
The AgriStability program, delivered by Agricorp, was established to provide producers with effective tools to manage business risks. A program participant may submit a review request in the case of disagreement with how AgriStability program rules were applied to the participant's application. The Ontario AgriStability Review Committee is responsible for hearing review requests of Agricorp decisions in relation to program applications and making non-binding recommendations to Agricorp.

Ministry Financial Information

MINISTRY OF AGRICULTURE, FOOD AND RURAL AFFAIRS
Operating and Capital Summary by Vote

The Ministry of Agriculture, Food and Rural Affairs' (OMAFRA) vision is for thriving rural Ontario, agricultural and food sectors. To achieve this vision our mission is to act as a catalyst for transforming the agriculture and food sectors and rural communities for a healthy Ontario. OMAFRA invests in the following key areas: research and innovation; agriculture and food sector economic development; rural economic development and infrastructure; farm income stabilization; and food safety, animal health and environmental stewardship.

Votes/Programs	Estimates 2011-12	Change from Estimates 2010-11		Estimates 2010-11 *	Interim Actuals 2010-11 *	Actuals 2009-10 *
	$	$	%	$	$	$
OPERATING AND CAPITAL EXPENSE						
Vote 1: Ministry Administration	26,406,500	(85,300)	(0.3)	26,491,800	25,083,700	25,853,398
Vote 7: Better Public Health and Environment	94,037,300	3,709,300	4.1	90,328,000	81,036,000	71,844,527
Vote 8: Strong Agriculture, Food and Bio-product Sectors and Strong Rural Communities	1,122,097,200	(1,638,210,000)	(59.3)	2,760,307,200	2,179,295,900	1,600,084,224
Vote 9: Policy Development	16,370,100	1,751,600	12.0	14,618,500	14,907,500	13,889,770
Less: Special Warrants	-	-	-	-	-	-
Total Operating and Capital Expense to be Voted	**1,258,911,100**	**(1,632,834,400)**	**(56.5)**	**2,891,745,500**	**2,300,323,100**	**1,711,671,919**
Special Warrants	-	-	-	-	-	-
Statutory Appropriations	399,314	161,100	67.6	238,214	235,700	3,687,356
Ministry Total Operating & Capital Expense	1,259,310,414	(1,632,673,300)	(56.5)	2,891,983,714	2,300,558,800	1,715,359,275
Consolidation & Other Adjustments - Agricorp	272,477,000	(34,467,000)	(11.2)	306,944,000	125,812,000	186,640,175
Consolidation & Other Adjustments - Agricultural Research Institute of Ontario (ARIO)	(2,855,600)	985,600	-	(3,841,200)	2,930,000	7,632,000
Total Including Consolidation & Other Adjustments	**1,528,931,814**	**(1,666,154,700)**	**(52.1)**	**3,195,086,514**	**2,429,300,800**	**1,909,631,450**
OPERATING AND CAPITAL ASSETS						
Vote 1: Ministry Administration	301,000	(1,126,300)	(78.9)	1,427,300	N/A	925,693
Vote 7: Better Public Health and Environment	500,000	-	-	500,000	N/A	42,200
Vote 8: Strong Agriculture, Food and Bio-product Sectors and Strong Rural Communities	5,300,000	-	-	5,300,000	N/A	666,154
Less: Special Warrants	-	-	-	-	-	-
Total Operating and Capital Assets to be Voted	**6,101,000**	**(1,126,300)**	**(15.6)**	**7,227,300**	**N/A**	**1,634,047**
Special Warrants	-	-	-	-	-	-
Statutory Appropriations	11,800,000	-	-	11,800,000	N/A	5,797,100
Total Assets	**17,901,000**	**(1,126,300)**	**(5.9)**	**19,027,300**	**N/A**	**7,431,147**

* Estimates for the previous fiscal year are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2011 Ontario Budget.

APPENDIX I

ANNUAL REPORT 2010-11

APPENDIX I: ANNUAL REPORT 2010-11

Ministry Activities and Results 2010-2011

In 2010-2011, the ministry's key activities fell under the three priorities of:

- Thriving Agriculture and Food Sectors
- Strong Rural Communities
- Safe Food, Healthy Animals, Healthy Environment

Thriving agriculture and food sectors

- Local Food

The Ministry of Agriculture, Food and Rural Affairs has invested $80 million in programming to support Ontario foods since 2003. The efforts are paying off, with more than half of shoppers surveyed reporting that they are buying more fresh Ontario foods than previously.

Under the Ontario Market Investment Fund, the ministry partners with agri-food industry groups and local food networks to help jump-start or maintain momentum for local food initiatives. To date, 151 projects have been approved with program support of up to $8.1 million.

The Broader Public Sector Investment Fund was launched in the fall of 2010. It helps connect farmers, food processors, and distributors with schools, hospitals, and municipalities to increase the amount of Ontario food purchased by the broader public sector. The fund is administered by the Greenbelt Fund, a sister organization of the Friends of the Greenbelt Foundation. The ministry recently announced the first twelve projects to be funded under this new program.

- Food Processing

Ontario's food and beverage manufacturing revenue totals more that $34 billion, making it the second-largest goods producing sector in the province. This represents about 3,000 establishments that employ approximately 95,000 people.

Up to 70 per cent of Ontario farm products wind up in some of these plants. Our farmers depend on a robust food manufacturing base in this province.

OMAFRA's programs and services led to more than $317 million invested in the food processing sector in 2010-2011, creating or retaining more than 6,850 jobs in 2010-11.

The Rural Economic Development program was re-focused in September, 2009 to include food processing as a priority sector. Since then, investments through RED of $67 million for 90 food processing projects have generated more than $403 million in new economic activity, creating and retaining more than 11,800 jobs.

In 2010-11, the ministry continued working with the food processing sector as a priority under the Rural Economic Development program, notably:

- New Food Classics is receiving $1 million for a new manufacturing facility in St. Catharines to meet the growing demand for its fully cooked, ready-to-eat meat products. This new location will help grow their business by better connecting them with their regional consumers and distributors. This investment will create up to 150 new jobs in the short term and as many as 400 new jobs over the next five years. It will also increase the product demand from local meat producers and processors.
- Metzger Meats is receiving $350,000 to expand and modernize its plant by adding smokehouses and cookhouses. The company will also modernize its production management system to improve both the productivity and efficiency of the plant. These improvements will increase smokehouse and ready-to-eat meat production by 400 per cent. This investment will also create 10 new jobs and retain 18 positions.

- Exports

Ontario exports more, on a per capita basis, than any other G7 nation. In 2010, agri-food exports totalled $9.39 billion. That is a six per cent increase from 2009.

OMAFRA staff are experts at helping small to medium sized firms break into international markets. Whether it's the U.S., Europe, Asia or Mexico, the ministry has people who know how to get Ontario food products on the world's shelves.

- Growing Forward

In 2010-2011, the ministry built on the suite of Growing Forward programs, incorporating premise identification requirements into the Canada-Ontario Farm Stewardship program and Business Development for Farm Businesses program.

Some of the results from Growing Forward programs (to December 2010) are:

- 1,728 on-farm environmental improvement projects have been completed with cost-share funding under the Canada-Ontario Farm Stewardship Program
- 746 farm businesses participated in Canada-Ontario Environmental Farm Plan (EFP) educational workshops, with 660 EFP Action Plans peer reviewed and deemed appropriate
- 486 people attended information sessions and 863 producers and processors were approved for cost-share funding under the Food Safety and Traceability Initiative
- 974 farm business participated in Growing Your Farm Profits workshops, with 650 client action plans reviewed and signed off, and an 80 per cent client satisfaction rating

- 300 participants attended biosecurity workshops and 100 applications were received and approved for funding.
- 4000 premises were registered in the provincial agri-food premises registry as a result of premises identification being added as a program eligibility requirement. The ministry met 100 per cent of its target for 2010-2011 in this respect.

- Risk Management

In July, 2010, the Risk Management pilot program for grain and oilseed producers was extended for the 2010 growing season. The program helps farmers offset losses caused by low grain and oilseed commodity prices.

Since 2003, the ministry has provided more than $2 billion in farm income and stabilization programming.

The ministry developed and launched a collection of resources to help new farmers get started. The "Starting a Farm in Ontario – Business Information Bundle for New Farmers"

In December, 2010, the minister issued a directive to Agricorp to amend the existing Grains Act regulation to temporarily (until July 1, 2012) allow the industry to continue using deferred payments. This allows a current practice to continue while industry is further consulted on a longer term direction.

Strong Rural Communities

In 2010-2011, the ministry continued to deliver significant infrastructure initiatives on behalf of the Ontario government, particularly components of the Building Canada Fund and the Infrastructure Stimulus Fund.

- Building Canada Fund - Communities Component. 478 projects have been approved under this program with a provincial commitment of more than $550 million to improve vital infrastructure in rural Ontario.
- Building Canada Fund – Major Infrastructure Component. Through this component, the ministry is delivering more than $100 million in total provincial funding for three projects to improve water systems in Ontario.
- Infrastructure Stimulus Fund – Under the Municipal Intake, Ontario is investing more than $970 million in almost 1,300 infrastructure projects. Under the Not-for-Profit Intake, the province is investing $66 million, with another $9 million from other sources, for 66 infrastructure projects across the province.

In 2010-2011, the ministry continued its commitment to delivering high-speed Internet service to rural areas through its Rural Connections Broadband Program, Building Broadband in Rural and Northern Ontario Program, and Eastern Ontario Wardens' Caucus regional broadband project with more than $90 million in provincial funding. The total number of current and completed broadband projects undertaken in the Rural Connections Broadband Program is 55, representing a total investment of more than $31 million.

The Rural Economic Development (RED) program helps rural communities remove barriers to economic development and growth through efforts in revitalizing communities, support for food processing and increasing opportunities for skills development. In 2010-2011, 71 projects were committed to under the program. This represents a program investment of $47 million, generating more than $337 million in economic activity.

The Ontario government partners with rural businesses to provide summer jobs for students. Since 2003, the Rural Summer Jobs Service program has provided a wage subsidy to more than 8,000 employers for the placement of more than 28,000 students. In 2010, more than 1,550 employers were approved for more than 7,000 students.

Safe Food, Healthy Animals, Healthy Environment

The ministry recognizes the importance of being able to track the movement of food products from farm to fork – it makes for good business and emergency preparedness. That is why more than $30.2 million was provided for Food Safety and Traceability Initiative under the Growing Forward framework. Since 2009, more than $16 million has been provided to more than 1,200 applicants under the program.

A new Pathobiology and Animal Health Laboratory was officially opened in October, 2010 at the University of Guelph. The lab supports the growing role of veterinarians in research and teaching in public health, infectious diseases, pathology and immunology. The ministry provided $25 million for the lab's construction.

The ministry continued to update its Food Safety Strategic Plan to better co-ordinate with other government bodies and industry and to refine its evidence and risked based approach to protecting Ontario's food supply.

In 2010-2011, the ministry worked with the Ministries of Environment and Natural Resources on the stewardship of Ontario's water resources by:

- Working with the federal government to renegotiate the Great Lakes Water Quality Agreement (GLWQA) with the United States
- Working on an extension of the Canada-Ontario Agreement on the Great Lakes Basin, while the GLWQA is being negotiated.
- Working to develop a Great Lakes Action Plan to establish a provincial Great Lakes vision, including short- and long-term actions to conserve and restore the Great Lakes
- Continuing to support the Lake Simcoe Protection Plan through a number of initiatives, including securing additional funding from Environment Canada to support farmers in the watershed participating in the Canada-Ontario Farm Stewardship Program
- Working to implement the requirements of the Clean Water Act as it pertains to source water protection and agricultural operations

The ministry also helped develop and implement Ontario's Water Strategy, a multi-ministry effort to encourage the creation and export of innovative clean water technology, promote water conservation, attract economic development and create jobs.

As of January 1, 2011, the ministry assumed the lead role in educating stakeholders about new requirements for handling and transporting Non-Agricultural Source Materials (NASM). A comprehensive communications and education effort was carried out in the winter-spring period so that relevant stakeholders were aware of their responsibilities under the new regulation. As of the end of March, 2011, 20 NASM Plan Development Certificates have been issued.

Innovation

The ministry worked on several initiatives that provide a foundation for delivering on our priorities and developing as a high-performance ministry.

In April, 2010, the Ontario and Quebec Agriculture Ministers agreed on a joint action plan to promote better agri-food sector integration and competitiveness between the two provinces, including trade, research and innovation.

In 2010-2011, the ministry continued to use our diversity strategy, Rooted in Diversity: A Place for Everyone to identify opportunities to integrate diversity and inclusion into human resources and business practices of the ministry. Opportunities to integrate diversity and inclusion included a session for management on expectations and best practices for barrier-free recruitment; a pilot of the Inclusion Lens throughout divisions; started up a Diversity Mentoring Partnership program; hosted the Spirit of Diversity Program event celebrating Diversity and Spirit (volunteerism) in one event.

In June 2010, OMAFRA submitted a green plan that aligned with the OPS Green Transformation Strategy. OMAFRA showed leadership in engaging staff with the formation of a cross-ministry green team and an active blog on OPSpedia. Other areas of leadership include OMAFRA's contributions to greener business practices (e.g. printer reductions; paperless meetings; paperless inspection) and reductions to the OPS environmental footprint (e.g. use of video conferencing and procurement of hybrid/flex fuel vehicles for ministry fleet).

As part of its Open for Business commitments, the ministry has successfully met and exceeded its regulatory burden reduction target. Some of the salient examples of regulatory burden reduction include:

- Meat plants now file for their licences once every three years, instead of annually.
- Provincial carcass grading standards in beef, veal, poultry, lamb and mutton were updated by harmonizing with federal standards.
- A single, harmonized regulation for eggs and processed eggs.

The ministry also worked on innovation and research priorities that included partnerships with a wide variety of research institutions and industry stakeholders across the value chain. To illustrate some of the ministry's achievements:

- Targeted outreach to academic and industry stakeholders was a significant factor in an almost 30 per cent increase in research partnerships recorded (from 245 to 320) and an approximate 50 per cent increase in private sector funding in support of our combined research programs (University of Guelph Partnership and other programs).

- The University of Guelph successfully launched the new Highly Qualified Personnel (HQP) and Knowledge Translation and Transfer (KTT) programs, both of which will lead to increased involvement and participation from stakeholders across the value chain.

In 2010-2011, a new enhanced performance measurement system was launched for the ministry. A study is under way to explore opportunities to expand the system.

Ministry Interim Actual Expenditures 2010-11

	Ministry Interim Actual Expenditures ($M) 2010-11
Operating	$653.985
Capital	$1,775.316
Staff Strength (as of March 31, 2011)	940.47

* Interim actuals reflect the numbers presented in the 2011 Ontario Budget.